Texaco Exploration and Production Inc. Attn: Mr. Joseph F. Smith, Jr. 935 Gravier St., Room 1944 New Orleans, Louisiana 70112

February 19, 2002

ChevronTexaco

Hon. Felix J. Boudreaux, Commissioner Department of Natural Resources Office of Conservation P. O. Box 94275 - Capitol Station Baton Rouge, Louisiana 70804-9275

Dear Sir:

Texaco Exploration and Production Inc. requests the calling of a public hearing, after due legal notice, to consider the following matters pertaining to the 53-2 Sand, Reservoir 020, in the Caillou Island Field, Terrebonne Parish, Louisiana.

- To establish rules and regulations governing the exploration for and production of oil and gas from the above sand.
- 2. To establish a single drilling and production unit for the above sand.
- 3. To force pool and integrate all separately owned tracts and mineral leases and other mineral interests within the unit.
- 4. To designate Texaco Exploration and Production Inc. as operator of the 53-2 R020 SUA.
- 5. To designate Texaco's SL 188 Caillou Island Well No. 746 as the unit well for the 53-2 R020 SUA.
- 6. To provide that any future replacement and/or alternate wells for said unit shall be exempt from the spacing provisions of Statewide Order No. 29-E.
- 7. To provide for future reclassification of the reservoir without the necessity of a public hearing if such reclassification becomes necessary due to a change in production characteristics.
- 8. To consider such other matters as the Commissioner may deem pertinent.

The 53-2 Sand, Reservoir 020, in Caillou Island Field is hereby defined as being that oil and gas bearing sand encountered between the electric log depths of 10,660 (10,658 TVD) feet and 10,746 (10,744 TVD) feet in the Texaco Exploration and Production Inc. - SL 188 Caillou Island Well No. 746, located in Township 23 South, Range 20 East, Terrebonne Parish, Louisiana.

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Texaco will provide for the advertisement of the legal notice in a newspaper of general circulation in the vicinity of the Caillou Island Field, and also will post the legal notice and unit plat in a prominent place in the area of the field. Texaco will also mail a copy of said legal notice and unit plat to Interested Owners, Represented Parties and to Interested Parties.

Attached are (1) a copy of the unit plat, (2) a list of Interested Owners, Represented Parties, and Interested Parties, and (3) our check in the amount of \$700.00 to cover the application fee due.

A copy of this application, plat and list attached, is being sent to Mr. Richard D. Hudson, District Manager, Lafayette, Louisiana. A copy of this application and plat are also being sent to each Interested Owner, Represented Party, and Interested Party after a reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

The pre-application conference was not held since Texaco did not receive a request to confer.

All pertinent data relating to this notice can be obtained, at the cost of the requesting party, by contacting the undersigned at Texaco Exploration and Production Inc., 935 Gravier St., New Orleans, Louisiana 70112, telephone number (504) 592-6710.

Yours truly,

Texaco Exploration and Production Inc.

Joseph F. Smith, Jr.

Unitization Coordinator

JFSmith:CI53-2R020

Attachments

cc: Mr. Richard D. Hudson, District Manager Department of Natural Resources Office of Conservation Lafayette, Louisiana

Interested Owners, Represented Parties and Interested Parties

